

# **KENTUCKY DEPARTMENT OF EDUCATION**

## **STAFF NOTE**

### **Action/Discussion Item:**

Preschool Funding, 2009-2010 Rates

### **Applicable Statute or Regulation:**

KRS 157.226, KRS 157.3175, 702 KAR 3:250

### **Action Question:**

Should the Kentucky Board of Education approve preschool program per-child funding rates and the set-aside for 2009-2010?

### **History/Background:**

***Existing Policy.*** The Kentucky Preschool Program is a statewide program serving 3- and 4-year-old children with disabilities and 4-year-olds whose family income falls within 150% of poverty guidelines. The preschool program provides a minimum of a half-day developmentally appropriate program with services that include meals and parent training and may include transportation. The preschool program also meets the comprehensive needs of children through collaboration with medical, health, mental health and social service agencies.

***Per-Child Rates.*** The per-child funding rates vary according to the child's status. There is a standard rate for four-year-old at-risk children without disabilities, and weighted amounts for 3- and 4-year-old children with disabilities according to three categories: developmental delay, speech/language and severe.

Each spring, the Kentucky Board of Education establishes the per-child rates for the Kentucky Preschool Program for the upcoming school year based on the budget approved by the legislature.

***Funding Procedures.*** According to the *Preschool Funding Guidelines*, districts receive a tentative award at the beginning of the school year. The tentative award is calculated from the district's preschool enrollment from the previous year, multiplied times the per-child rates for the new school year. After the new school year the enrollment count is collected on December 1, the district receives a final award notice. The final award has an upward adjustment if enrollment has grown by more than 5% over the past year. Districts with enrollment decreases of more than 5% are advised of an offset that will be deducted from the next year's disbursement (not taken from current year allocation).

Preschool rates from 2003-2010 are found in Table I below. The 2009-2010 rates are being proposed by staff.

**Table I. Preschool rates for at-risk and disabilities 2003-2010**

Categories	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010 Proposed
At-Risk	\$2,170	\$2,291	\$2,150	\$3,168	\$3,304	\$3,094	\$3,293
Speech/Language	\$2,279	\$2,405	\$2,258	\$3,327	\$3,249	\$3,249	\$3,457
Developmental Delays	\$3,038	\$3,207	\$3,011	\$4,436	\$4,332	\$4,332	\$4,610
Severe/Multiple Disabilities	44,123	\$4,353	\$4,086	\$6,020	\$5,879	\$5,879	\$6,256

**State Enrollment Trends.** Figure 1 shows the total enrollment trend in the state preschool program. The trend goes slightly downward beginning in 2006.

**Figure 1: State Funded December 1 count 1998-2008**

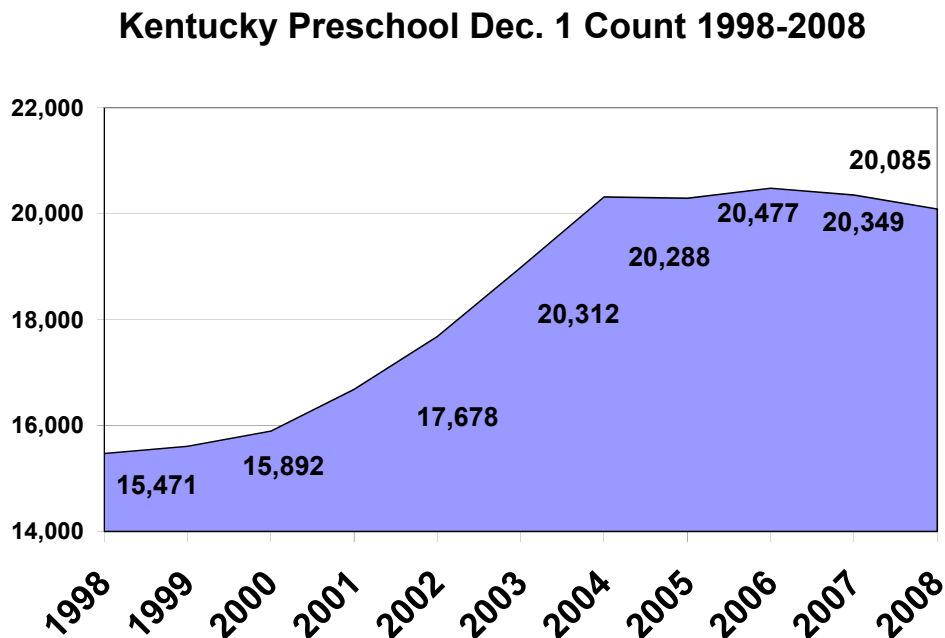
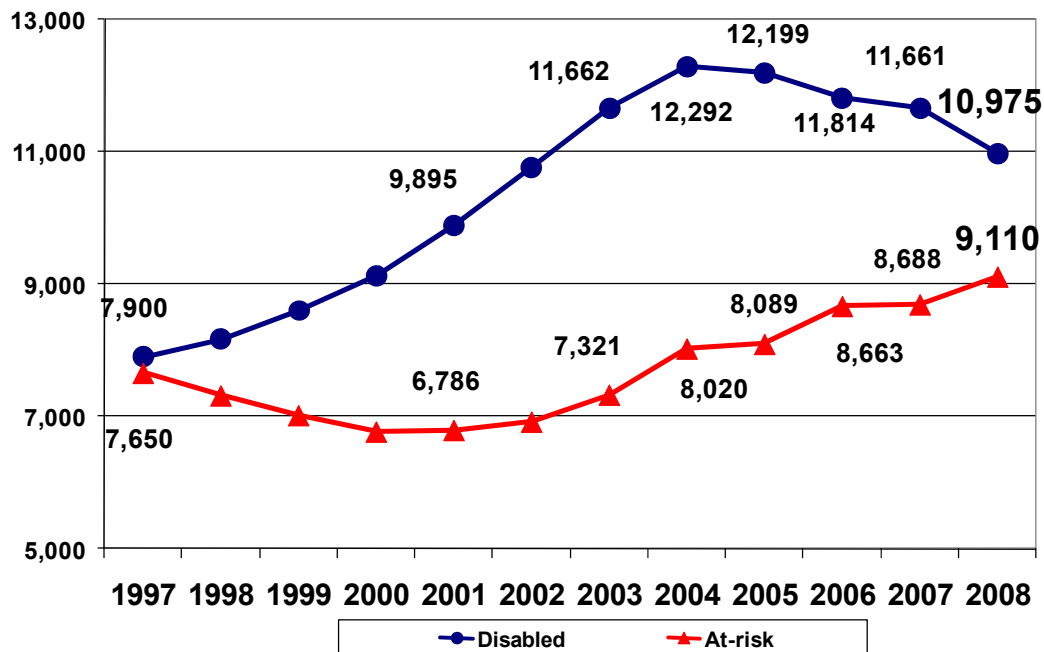


Figure 2 shows the at-risk four-year-old enrollment plot (triangles) increasing over time and the enrollment plot for children with disabilities (circles) decreasing since 2004. The relationship between the two trend lines can be explained by the following points: (1) a change in the definition of at-risk from 130% to 150% of federal poverty level results in the enrollment of

more at-risk students; and (2) an improvement in the age-appropriate evaluation of children with disabilities results in fewer enrollments of children with disabilities.

**Figure 2: Number of at-risk children and children with disabilities served in Kentucky's state-funded preschool program 1998-2008**



***District Challenges.*** Kentucky preschool coordinators continue to report transportation and support for children with disabilities as their top funding challenges.

It is anticipated that the preschool budget for 2009-2010 will decrease by 2% to 5%. Impacts may include fewer full-day preschool programs, increased transportation challenges, and diminished quality in early childhood environments.

**Staff Recommendation and Rationale:**

Staff recommends that the Board approve the per-child funding rates for 2009-2010 and the mid-year growth amount that will allow additional funds for districts experiencing 5% or more growth based on the December 1, 2009 count. Adequate funding for preschool is essential for high-quality teaching and learning within strong and supportive classroom environments with qualified staff to enable children to enter the primary program ready to succeed. The rates and mid-year growth amount are reflected in Table 2 below.

**Table 2. Projected Preschool Program allocation for 2009-2010 school year with calculations for at-risk and children with disabilities and mid-year growth allocation.**

Per Child Rates: At-Risk	\$3,293
Speech/Language	\$3,457
Mild/Developmental Delays	\$4,610
Severe/Multiple Disabilities	\$6,256
Maximum Available for Mid-Year Growth	\$1,000,000

**Impact on Getting to Proficiency Efforts:**

Every child is capable of learning and achieving at high levels regardless of socioeconomic background or of other issues of diversity. Preschool provides a strong foundation for future learning.

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Interim Deputy Commissioner

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Interim Commissioner of Education

**Date:**

June 2009